



**DEPARTMENT OF VETERANS AFFAIRS
Veterans Health Administration
Washington DC 20420**

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UNDER SECRETARY FOR HEALTH'S INFORMATION LETTER

CAPITAL ASSET MANAGEMENT AND PLANNING

1. This information letter announces recent changes in capital asset management and planning within the Department and corresponding changes in Veterans Health Administration (VHA).

2. Background

a. On June 6, 2001, the Secretary of Veterans Affairs approved the establishment of the Office of Asset Enterprise Management (OAEM) under the Assistant Secretary for Management. Approval was based on the need for a comprehensive corporate level capital asset management function. OAEM will be responsible for making recommendations and promulgating Department capital asset policies that govern the acquisition, management and disposal of capital assets. Approval by the Secretary also required that each Administration implement a similar centralized function within their respective organizations to serve as a focal point to improve coordination and management of assets under their operational responsibility, and to interface with OAEM. The new Capital Asset Management and Planning Service (CAMPS) will serve as VHA's focal point organization.

b. The Deputy Under Secretary for Health charged a workgroup to make recommendations for a comprehensive VHA approach to capital asset management. The workgroup made six recommendations:

- (1) Establish a VHA Capital Asset Board;
- (2) Establish a VHA Capital Asset Management and Planning Service (CAMPS);
- (3) Establish Veterans Integrated Service Network (VISN)-level Capital Asset Management Programs;
- (4) Realign VHA Capital Asset Programs;
- (5) Establish Criteria for Appropriate Delegated Authorities within VHA; and
- (6) Enhance and Integrate VHA Capital Asset Databases.

c. In July, the VHA Policy Board endorsed these recommendations and on August 3, 2001, the Under Secretary for Health approved them.

3. Implementing Actions

a. A directive establishing the Capital Asset Board chaired by the Deputy Under Secretary has been prepared and is in the concurrence stage.

b. CAMPS (182C) has been established in the Office of Facilities Management.

c. Capital asset management programs exist in most VISNs. Guidance on how these functions will interact with CAMPS, as well as guidance on how far below threshold capital asset proposals should be processed, will be forthcoming.

d. Capital asset programs have been realigned. The following changes have been made:

(1) Capital asset planning has been transferred from the Office of Policy and Planning (105) to the new CAMPS office.

(2) Policy development, review and approval of enhanced sharing of space have been transferred from the Office of the Chief Financial Officer (17) to the CAMPS office.

(3) Energy savings performance contracts, energy savings agreements, utility contracts and energy conservation contracts, policy development, review and approval have been transferred from Assistant Deputy Under Secretary for Health (10N) to the CAMPS office.

(4) Minor construction policy development, review and approval have been transferred from the Assistant Deputy Under Secretary for Health (10N) to the CAMPS office.

(5) The CAMPS office will implement Enhanced-Use leasing pursuant to Department policies and guidance.

e. Delegated authorities will be reviewed and adjusted as necessary by OAEM.

f. Integrating and enhancing capital asset databases will be an evolving process. Much work has already been done by the VISN Support Service Center in conjunction with the Department- level Capital Asset Panel. CAMPS will continue this effort and will implement changes as necessary.

g. Policy and implementing documents will be generated with participation of field and VA Central Office staff as team members. In the interim, existing directives and other policies related to the preceding program areas will remain in effect. Submissions by field elements for any programs will be made to Capital Asset Management and Planning Service (182C).

4. References

- a. Policy Board Minutes signed August 3, 2001.
- b. VHA Capital Asset Workgroup Report dated July 2001.
- c. Office of Asset and Enterprise Management decision document signed June 6, 2001.

5. Questions may be referred to Tony DiStasio at (202) 565-4092 or e-mail to Anthony.distasio@mail.va.gov.

S/ Frances Murphy, M.D. for
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Under Secretary for Health

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